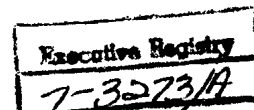


OC-5-494
M 17/36

1 SEP 1955

Honorable Arthur S. Flemming
Director, Office of Defense Mobilization
Executive Office of the President
Washington 25, D. C.

Dear Dr. Flemming:

In a letter dated 15 August 1955, signed by Mr. F. C. Alexander of your office, it was requested that this Agency comment on or indicate approval of a letter to be sent to the Federal Communications Commission presenting the views of Government agencies with regard to the defense aspects of a projected San Francisco - Hawaii cable.

The CIA concurs in the statement in paragraph two of the proposed letter that national defense would be served by the installation of the cable, but insofar as the CIA is concerned, feels that in the further statement in paragraph three of the proposed letter, the word "vital" should be changed to: "of major importance."

Sincerely,

SIGNED

C. P. Cabell

Lieutenant General, USAF
Acting Director

Originator:

SIGNED

Director of Communications

CONCUR:

Distribution:

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SEP 1 1955

SIGNED

H. GATES LLOYD
Acting Deputy Director
(Support)

STAT

MEMORANDUM FOR: Acting Director of Central Intelligence

SUBJECT: Modern Telephone-Telegraph Type Cable
between San Francisco - Hawaii

11/7/36

1. Under date of 1 June 1955, the Director of Defense Mobilization wrote to the Director of Central Intelligence stating that to minimize the vulnerability of our Trans-Pacific Communications service, he planned to start exploratory discussions with the telephone and telegraph companies to determine the practicability of a modern telephone-telegraph type cable between San Francisco and Hawaii for service late in 1957 or early 1958. The Director of Defense Mobilization enclosed a staff study which recommended, in addition to the exploration with commercial companies just referred to, that negotiations be conducted with the Commercial Pacific Cable Company to purchase and activate the existing cable in the Pacific for use as an emergency measure.

2. I replied to the Director of Defense Mobilization for the DCI on 13 June 1955, substantially as follows: That CIA concurs in the recommendation that exploration be undertaken with commercial companies for the laying of a new cable between San Francisco-Hawaii. With respect to the recommendation that negotiations be concluded for the purchase and activation of the existing cable, CIA questions the validity of the estimated cost thereof and also doubts that the cable would be worth the cost of rehabilitation. (While I was Chairman of the Joint Communications-Electronics Committee, 1949-1951, a similar proposal was given consideration with the conclusion that the rehabilitation would not be worth the initial cost, and upkeep.)

3. On 10 August a letter to the DCI from ODM (signed by F. C. Alexander, Deputy Assistant Director for Telecommunications), stated that the Director of Defense Mobilization had had conversations or exchanged correspondence with commercial companies on the subject of laying a modern cable between the U. S. and Hawaii, and further advised that the American Telephone and Telegraph Company was the only one which had contemplated such a cable in its planning and that it was prepared to advance its time table in an attempt to meet national defense needs.

**SUBJECT: Modern Telephone - Telegraph Type Cable between
San Francisco - Hawaii**

4. On 15 August, ODM (also signed by F. C. Alexander) wrote to the DCI stating that A. T. & T. had plans to lay the cable in about 1960, but was willing to attempt to advance this date upon representation of the government that national defense would be served by so doing. This letter enclosed a draft of a proposed letter to the FCC expressing the views of the government agencies and requested CIA's comments or approval of the letter by telephone. The proposed letter to FCC was necessary as A. T. & T. had made application for the cable landing license and authority to construct and operate the cable. Mr. Johnson, my Deputy, telephoned the ODM on 16 August stating that CIA "had no objection" to forwarding the proposed letter to the FCC.

5. On 24 August, Mr. Alexander telephoned me to ask if Mr. Johnson's "no objection" was the DCI's position in the matter. I informed him that, insofar as I knew, Mr. Johnson's "no objection" comment was not cleared with the DCI. Mr. Alexander stated that the Director, ODM, desired the official comments of the DCI. He also requested that I obtain the official Agency position. Accordingly, I recommend that you sign the attached letter to the Director of Defense Mobilization, which is self-explanatory.

H. M. McClelland
Director of Communications

Attachment

Orig: HMM/mv(26 Aug 1955)
cc: PTJ